

MEDIA RELEASE

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PUBLIC UTILITY DISTRICT NO. 1 OF FERRY COUNTY RECEIVES ENERGY GRANT

One of Only Nine Entities Nationally to Receive Such Funding

Republic---Secretary Ann Veneman of the U.S. Department of Agriculture recently announced recipients of the 2003 High Energy Cost Grants. Public Utility District No. 1 of Ferry County was one of only nine applicants in the country to be selected for such assistance from USDA Rural Development.

The grant program is designed to be used to provide, develop and improve energy services in rural areas with extremely high energy costs. The grants can also be used to assure access to reliable energy services. Access to energy services is something most of us take for granted these days, but in Ferry County many residents are still lacking such an amenity. Ferry County Community Services' local office estimates that there are 175-200 potential customers in their service area that could benefit from grid-connected electricity or off-grid solar power at reasonable rates. The majority of these households are using small gasoline generators for their electrical needs. Based on past inquiries and calculated cost estimates, the average distance for line extensions to reach these remote customers is 4,000 feet at an average cost of over \$24,000 per project.

The \$888,408 High Energy Grant will be used to establish an in-house resource to extend long term subsidized financing to consumers living in remote areas, not currently served by the Utility. This program would be made available to those consumers whose present amortized cost of electricity exceeds \$.23/kWh. The funding would cover the installation costs for conventional distribution line extensions, and be repaid by the consumer through a surcharge to the standard facility charge that would see the loan repaid over the 35 yr system life of the line extension.

The funds can also be loaned to customers to purchase PV solar generation through the Western Solar Utility Network (Western S.U.N.) co-op membership. Western S.U.N. is a co-operative purchasing group, active throughout the Pacific Northwest; marketing U.L. approved solar PV equipment through its Utility and Community Action Agency members. The PV option would be used for qualifying consumers who are so far from the Districts existing distribution system that the amortized cost of a conventional line extension would be prohibitive, or the terrain makes such an installation impractical.

To inquire about the services that may be provided through the assistance of this grant, you may contact John Friederichs, Conservation Director at Public Utility District No. 1 at 509-775-3325.

USDA Rural Development's mission is to deliver programs in a way that will support increasing economic opportunity and improve the quality of life of rural residents. As a venture capital entity, Rural Development provides equity and technical assistance to finance and foster growth in homeownership, business development, and critical community and technology infrastructure. Further information on rural programs is available at a local USDA Rural Development office or by visiting USDA Rural Development's Washington State web site at www.rurdev.usda.gov/wa. ###